108TH CONGRESS H.R. 2122

AN ACT

To enhance research, development, procurement, and use of biomedical countermeasures to respond to public health threats affecting national security, and for other purposes.

108TH CONGRESS 1ST SESSION

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AN ACT

- To enhance research, development, procurement, and use of biomedical countermeasures to respond to public health threats affecting national security, and for other purposes.
 - 1 Be it enacted by the Senate and House of Representa-
 - 2 tives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

- This Act may be cited as the "Project BioShield Act
- 3 of 2003".
- 4 SEC. 2. BIOMEDICAL COUNTERMEASURE RESEARCH AND
- 5 **DEVELOPMENT AUTHORITIES.**
- 6 (a) IN GENERAL.—Part B of title III of the Public
- 7 Health Service Act (42 U.S.C. 243 et seq.) is amended
- 8 by inserting after section 319F the following section:
- 9 "SEC. 319F-1. AUTHORITY FOR USE OF CERTAIN PROCE-
- 10 DURES REGARDING QUALIFIED COUNTER-
- 11 MEASURE RESEARCH AND DEVELOPMENT
- 12 **ACTIVITIES.**
- "(a) IN GENERAL.—
- 14 "(1) AUTHORITY.—In conducting and sup-
- porting research and development activities regard-
- ing biomedical countermeasures under section
- 17 319F(h), the Secretary may conduct and support
- such activities in accordance with this section if the
- 19 activities concern qualified countermeasures.
- 20 "(2) QUALIFIED COUNTERMEASURE.—For pur-
- 21 poses of this section, the term 'qualified counter-
- measure' means a priority countermeasure (as de-
- fined in section 319F(h) and as determined by the
- Secretary in accordance with such section and con-
- sistent with sections 302(2) and 304(a) of the
- Homeland Security Act of 2002) against a chemical,

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biological, radiological, or nuclear agent that may cause a public health emergency affecting national security.

"(3) Interagency cooperation.—

"(A) IN GENERAL.—In carrying out activities under this section, the Secretary is authorized, subject to subparagraph (B), to enter into interagency agreements and other collaborative undertakings with other agencies of the United States Government.

"(B) LIMITATION.—An agreement or undertaking under this paragraph shall not authorize another agency to exercise the authorities provided by this section.

"(4) AVAILABILITY OF FACILITIES TO THE SEC-RETARY.—In any grant, contract, or cooperative agreement entered into under the authority provided in this section with respect to a biocontainment laboratory or other related or ancillary specialized research facility that the Secretary determines necessary for the purpose of performing, administering, or supporting qualified countermeasure research and development, the Secretary may provide that the facility that is the object of such grant, contract, or cooperative agreement shall be available as needed to the Secretary to respond to public health emergencies affecting national security.

"(5) Transfers of Qualified countermeasure shall provide that the recipient of the award will comply with all applicable export-related controls with respect to such countermeasure.

"(b) Expedited Procurement Authority.—

"(1) Increased simplified acquisition threshold for qualified countermeasure procurements.—

"(A) IN GENERAL.—For any procurement by the Secretary of property or services for use (as determined by the Secretary) in performing, administering, or supporting qualified countermeasure research or development activities under this section that the Secretary determines necessary to respond to pressing research and development needs under this section, the amount specified in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)), as applicable pursuant to section 302A(a) of the Federal Property and Adminis-

1	trative Services Act of 1949 (41 U.S.C.
2	252a(a)), shall be deemed to be \$25,000,000 in
3	the administration, with respect to such pro-
4	curement, of—
5	"(i) section 303(g)(1)(A) of the Fed-
6	eral Property and Administrative Services
7	Act of 1949 (41 U.S.C. 253(g)(1)(A)) and
8	its implementing regulations; and
9	"(ii) section 302A(b) of such Act (41
10	U.S.C. 252a(b)) and its implementing reg-
11	ulations.
12	"(B) Application of Certain Provi-
13	SIONS.—Notwithstanding subparagraph (A)
14	and the provision of law and regulations re-
15	ferred to in such subparagraph, each of the fol-
16	lowing provisions shall apply to procurements
17	described in this paragraph to the same extent
18	that such provisions would apply to such pro-
19	curements in the absence of subparagraph (A):
20	"(i) Chapter 37 of title 40, United
21	States Code (relating to contract work
22	hours and safety standards).
23	"(ii) Subsections (a) and (b) of sec-
24	tion 7 of the Anti-Kickback Act of 1986
25	(41 U.S.C. 57(a) and (b)).

1	"(iii) Section 304C of the Federal
2	Property and Administrative Services Act
3	of 1949 (41 U.S.C. 254d) (relating to the
4	examination of contractor records).
5	"(C) Internal controls to be insti-
6	TUTED.—The Secretary shall institute appro-
7	priate internal controls for procurements that
8	are under this paragraph, including require-
9	ments with regard to documenting the justifica-
10	tion for use of the authority in this paragraph.
11	"(2) Procedures other than full and
12	OPEN COMPETITION.—
13	"(A) IN GENERAL.—In using the authority
14	provided in section 303(c)(1) of title III of the
15	Federal Property and Administrative Services
16	Act of 1949 (41 U.S.C. 253(c)(1)) to use proce-
17	dures other than competitive procedures in the
18	case of a procurement described in paragraph
19	(1) of this subsection, the phrase 'available
20	from only one responsible source' in such sec-
21	tion $303(c)(1)$ shall be deemed to mean 'avail-
22	able from only one responsible source or only
23	from a limited number of responsible sources'.
24	"(B) RELATION TO OTHER AUTHORI-
25	TIES.—The authority under subparagraph (A)

1	is in addition to any other authority to use pro-
2	cedures other than competitive procedures.
3	"(C) Applicable government-wide
4	REGULATIONS.—The Secretary shall implement
5	this paragraph in accordance with applicable
6	government-wide regulations, including require-
7	ments that offers be solicited from as many po-
8	tential sources as is practicable under the cir-
9	cumstances, that required notices be published,
10	and that submitted offers be considered.
11	"(3) Increased micropurchase thresh-
12	OLD.—
13	"(A) IN GENERAL.—For a procurement
14	described by paragraph (1), the amount speci-
15	fied in subsections (c), (d), and (f) of section 32
16	of the Office of Federal Procurement Policy Act
17	(41 U.S.C. 428) shall be deemed to be \$15,000
18	in the administration of that section with re-
19	spect to such procurement.
20	"(B) Internal controls to be insti-
21	TUTED.—The Secretary shall institute appro-

priate internal controls for purchases that are

under this paragraph and that are greater than

\$2,500.

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1	"(C) Exception to preference for
2	PURCHASE CARD MECHANISM.—No provision of
3	law establishing a preference for using a Gov-
4	ernment purchase card method for purchases
5	shall apply to purchases that are under this
6	paragraph and that are greater than \$2,500.
7	"(4) Review.—
8	"(A) REVIEW ALLOWED.—Notwithstanding
9	any other provision of law, including subsection
10	(f), review of a contracting agency decision re-
11	lating to a procurement described in paragraph
12	(1) may be had only by filing a protest—
13	"(i) with a contracting agency; or
14	"(ii) with the Comptroller General
15	under subchapter V of chapter 35 of title
16	31, United States Code.
17	"(B) Override of stay of contract
18	AWARD OR PERFORMANCE COMMITTED TO
19	AGENCY DISCRETION.—Notwithstanding any
20	other provision of law, the following authoriza-
21	tions by the head of a procuring activity are
22	committed to agency discretion:
23	"(i) An authorization under section
24	3553(c)(2) of title 31. United States Code.

1	to award a contract for a procurement de-
2	scribed in paragraph (1) of this subsection.
3	"(ii) An authorization under section
4	3553(d)(3)(C) of such title to perform a
5	contract for a procurement described in
6	paragraph (1) of this subsection.
7	"(c) Authority to Expedite Peer Review.—
8	"(1) IN GENERAL.—The Secretary may, as the
9	Secretary determines necessary to respond to press-
10	ing qualified countermeasure research and develop-
11	ment needs under this section, employ such expe-
12	dited peer review procedures (including consultation
13	with appropriate scientific experts) as the Secretary,
14	in consultation with the Director of NIH, deems ap-
15	propriate to obtain assessment of scientific and tech-
16	nical merit and likely contribution to the field of
17	qualified countermeasure research, in place of the
18	peer review and advisory council review procedures
19	that would be required under sections 301(a)(3),
20	405(b)(1)(B), $405(b)(2)$, $406(a)(3)(A)$, 492 , and
21	494, as applicable to a grant, contract, or coopera-
22	tive agreement—
23	"(A) that is for performing, administering,
24	or supporting qualified countermeasure research
25	and development activities; and

1 "(B) the amount of which is not greater 2 than \$1,500,000.

"(2) Subsequent phases of research.— The Secretary's determination of whether to employ expedited peer review with respect to subsequent phases of a research grant, contract, or cooperative agreement under this section shall be determined without regard to the peer review procedures used for any prior peer review of that same grant, con-tract, or cooperative agreement.

11 "(d) Authority for Personal Services Con-12 tracts.—

"(1) IN GENERAL.—For the purpose of performing, administering, or supporting qualified countermeasure research and development activities, the Secretary may, as the Secretary determines necessary to respond to pressing qualified countermeasure research and development needs under this section, obtain by contract (in accordance with section 3109 of title 5, United States Code, but without regard to the limitations in such section on the period of service and on pay) the personal services of experts or consultants who have scientific or other professional qualifications, except that in no case shall the compensation provided to any such expert

1	or consultant exceed the daily equivalent of the an-
2	nual rate of compensation for the President.
3	"(2) Federal tort claims act coverage.—
4	"(A) In general.—A person carrying out
5	a contract under paragraph (1), and an officer,
6	employee, or governing board member of such
7	person, shall be deemed to be an employee of
8	the Department of Health and Human Services
9	for purposes of claims under sections 1346(b)
10	and 2672 of title 28, United States Code, for
11	money damages for personal injury, including
12	death, resulting from performance of functions
13	under such contract.
14	"(B) Exclusivity of Remedy.—The
15	remedy provided by subparagraph (A) shall be
16	exclusive of any other civil action or proceeding
17	by reason of the same subject matter against
18	the person, officer, employee, or governing
19	board member.
20	"(3) Internal controls to be insti-
21	TUTED.—
22	"(A) IN GENERAL.—The Secretary shall
23	institute appropriate internal controls for con-
24	tracts under this subsection, including proce-
25	dures for the Secretary to make a determina-

tion of whether a person, or an officer, employee, or governing board member of a person, is deemed to be an employee of the Department of Health and Human Services pursuant to paragraph (2).

"(B) Determination of employee status to be final.—A determination by the Secretary under subparagraph (A) that a person, or an officer, employee, or governing board member of a person, is or is not deemed to be an employee of the Department of Health and Human Services shall be final and binding on the Secretary and the Attorney General and other parties to any civil action or proceeding.

"(4) Number of Personal Services con-Tracts limited.—The number of experts and consultants whose personal services are obtained under paragraph (1) shall not exceed 30 at any time.

"(e) STREAMLINED PERSONNEL AUTHORITY.—

"(1) IN GENERAL.—In addition to any other personnel authorities, the Secretary may, as the Secretary determines necessary to respond to pressing qualified countermeasure research and development needs under this section, without regard to such provisions of title 5, United States Code, governing ap-

- 1 pointments in the competitive service, and without 2 regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to 3 classification and General Schedule pay rates, ap-5 point professional and technical employees, not to 6 exceed 30 such employees at any time, to positions 7 in the National Institutes of Health to perform, ad-8 minister, or support qualified countermeasure re-9 search and development activities in carrying out
- 11 "(2) Internal controls to be insti-12 Tuted.—The Secretary shall institute appropriate 13 internal controls for appointments under this sub-14 section.
- 16 TION.—Actions by the Secretary under the authority of 17 this section are committed to agency discretion.".
- 18 (b) Technical Amendment.—Section 481A of the 19 Public Health Service Act (42 U.S.C. 287a-2) is 20 amended—
- 21 (1) in subsection (a)(1)—
- 22 (A) by inserting "or the Director of the 23 National Institute of Allergy and Infectious 24 Diseases" after "Director of the Center"; and

this section.

1	(B) by inserting ", or in the case of the In-
2	stitute, to any qualified public or private enti-
3	ty," after "private entities";
4	(2) in subsection (c)—
5	(A) in paragraph (1), by inserting "or the
6	Director of the National Institute of Allergy
7	and Infectious Diseases" after "Director of the
8	Center"; and
9	(B) in paragraph (2), in the matter pre-
10	ceding subparagraph (A), by striking "sub-
11	section (i)" and inserting "subsection (i)(1)";
12	(3) in subsection (d), by inserting "or the Di-
13	rector of the National Institute of Allergy and Infec-
14	tious Diseases" after "Director of the Center";
15	(4) in subsection (e)—
16	(A) in paragraph (1)—
17	(i) in the matter preceding subpara-
18	graph (A), by inserting "or the Director of
19	the National Institute of Allergy and Infec-
20	tious Diseases" after "Director of the Cen-
21	ter'';
22	(ii) in subparagraph (A), by inserting
23	"(or, in the case of the Institute, 75 per-
24	cent)" after "50 percent"; and

1	(iii) in subparagraph (B), by inserting
2	"(or, in the case of the Institute, 75 per-
3	cent)" after "40 percent";
4	(B) in paragraph (2), by inserting "or the
5	Director of the National Institute of Allergy
6	and Infectious Diseases" after "Director of the
7	Center"; and
8	(C) in paragraph (4), by inserting "of the
9	Center or the Director of the National Institute
10	of Allergy and Infectious Diseases" after "Di-
11	rector'';
12	(5) in subsection (f)—
13	(A) in paragraph (1), by inserting "in the
14	case of an award by the Director of the Cen-
15	ter," before "the applicant"; and
16	(B) in paragraph (2), by inserting "of the
17	Center or the Director of the National Institute
18	of Allergy and Infectious Diseases" after "Di-
19	rector"; and
20	(6) in subsection (i)—
21	(A) by striking "Appropriations.—For
22	the purpose of carrying out this section," and
23	inserting the following: "APPROPRIATIONS.—
24	"(1) Center.—For the purpose of carrying out
25	this section with respect to the Center,"; and

1	(B) by adding at the end the following:
2	"(2) National institute of allergy and
3	INFECTIOUS DISEASES.—For the purpose of car-
4	rying out this section with respect to the National
5	Institute of Allergy and Infectious Diseases, there
6	are authorized to be appropriated such sums as may
7	be necessary for each of the fiscal years 2003 and
8	2004.''.
9	(c) Additional Authority.—Section 319F of the
10	Public Health Service Act (42 U.S.C. 247d-6) is
11	amended—
12	(1) by redesignating subsections (i) and (j) as
13	subsections (j) and (k), respectively; and
14	(2) by inserting after subsection (h) the fol-
15	lowing subsection:
16	"(i) Priority Countermeasures for Strategic
17	NATIONAL STOCKPILE.—
18	"(1) In General.—The Secretary, taking into
19	consideration any recommendations of the working
20	group under subsection (a), may initiate and sustain
21	a program that results in the delivery of priority
22	countermeasures for placement in the stockpile
23	under section 319F–2.
24	"(2) Authorization of appropriations.—
25	For the purpose of carrying out paragraph (1), there

- 1 are authorized to be appropriated such sums as may
- 2 be necessary for each of the fiscal years 2004
- 3 through 2013.".
- 4 (d) Additional Authorizations of Appropria-
- 5 Tions.—Section 2106 of the Public Health Service Act
- 6 (42 U.S.C. 300aa-6) is amended—
- 7 (1) in subsection (a), by striking "authorized to
- 8 be appropriated" and all that follows and inserting
- 9 the following: "authorized to be appropriated such
- sums as may be necessary for each of the fiscal
- 11 years 2004 through 2013."; and
- 12 (2) in subsection (b), by striking "authorized to
- be appropriated" and all that follows and inserting
- the following: "authorized to be appropriated such
- sums as may be necessary for each of the fiscal
- 16 years 2004 through 2013.".
- 17 (e) TECHNICAL AMENDMENTS.—Section 319F of the
- 18 Public Health Service Act (42 U.S.C. 247d–6) is
- 19 amended—
- 20 (1) in subsection (a), by inserting "the Sec-
- 21 retary of Homeland Security," after "Management
- Agency,"; and
- 23 (2) in subsection (h)(4)(B), by striking "to di-
- agnose conditions" and inserting "to treat, identify,
- or prevent conditions".

1	(f) Rule of Construction.—Nothing in this sec-
2	tion has any legal effect on sections 302(2), 302(4),
3	304(a), or 304(b) of the Homeland Security Act of 2002.
4	SEC. 3. BIOMEDICAL COUNTERMEASURES PROCUREMENT.
5	(a) Additional Authority Regarding Strategic
6	NATIONAL STOCKPILE.—
7	(1) Transfer of Program.—Section 121 of
8	the Public Health Security and Bioterrorism Pre-
9	paredness and Response Act of 2002 (116 Stat.
10	611; 42 U.S.C. 300hh–12) is transferred from such
11	Act to the Public Health Service Act, is redesignated
12	as section 319F-2, and is inserted after section
13	319F–1 of the Public Health Service Act (as added
14	by section 2 of this Act).
15	(2) Additional Authority.—Section 319F-2
16	of the Public Health Service Act, as added by para-
17	graph (1), is amended to read as follows:
18	"SEC. 319F-2. STRATEGIC NATIONAL STOCKPILE.
19	"(a) Strategic National Stockpile.—
20	"(1) IN GENERAL.—The Secretary of Homeland
21	Security (referred to in this section as the 'Home-
22	land Security Secretary'), in coordination with the
23	Secretary and the Secretary of Veterans Affairs,
24	shall maintain a stockpile or stockpiles of drugs, vac-
25	cines and other biological products, medical devices,

1	and other supplies in such numbers, types, and
2	amounts as are determined by the Secretary to be
3	appropriate and practicable, taking into account
4	other available sources, to provide for the emergency
5	health security of the United States, including the
6	emergency health security of children and other vul-
7	nerable populations, in the event of a bioterrorist at-
8	tack or other public health emergency.
9	"(2) Procedures.—The Secretary, in man-
10	aging the stockpile under paragraph (1), shall—
11	"(A) consult with the working group under
12	section 319F(a);
13	"(B) ensure that adequate procedures are
14	followed with respect to such stockpile for in-
15	ventory management and accounting, and for
16	the physical security of the stockpile;
17	"(C) in consultation with Federal, State,
18	and local officials, take into consideration the
19	timing and location of special events;
20	"(D) review and revise, as appropriate, the
21	contents of the stockpile on a regular basis to
22	ensure that emerging threats, advanced tech-
23	nologies, and new countermeasures are ade-
24	quately considered;

"(E) devise plans for the effective and 1 2 timely supply-chain management of the stock-3 pile, in consultation with appropriate Federal, State and local agencies, and the public and 4 5 private health care infrastructure; and 6 "(F) ensure the adequate physical security 7 of the stockpile. 8 "(b) SMALLPOX VACCINE DEVELOPMENT.— 9 "(1) IN GENERAL.—The Secretary shall award 10 contracts, enter into cooperative agreements, or 11 carry out such other activities as may reasonably be 12 required in order to ensure that the stockpile under 13 subsection (a) includes an amount of vaccine against 14 smallpox as determined by such Secretary to be suf-15 ficient to meet the health security needs of the 16 United States. 17 "(2) Rule of Construction.—Nothing in 18 this section shall be construed to limit the private 19 distribution, purchase, or sale of vaccines from 20 sources other than the stockpile described in sub-21 section (a). 22 "(c) Additional Authority Regarding Pro-23 CUREMENT OFCERTAIN BIOMEDICAL Counter-MEASURES: AVAILABILITY OF Special RESERVE

Fund.—

1	"(1) In general.—
2	"(A) USE OF FUND.—A security counter-
3	measure may, in accordance with this sub-
4	section, be procured with amounts in the special
5	reserve fund under paragraph (10).
6	"(B) SECURITY COUNTERMEASURE.—For
7	purposes of this subsection, the term 'security
8	countermeasure' means a priority counter-
9	measure (as defined in section 319F(h) and as
10	determined by the Secretary in accordance with
11	such section and consistent with sections
12	302(2) and 304(a) of the Homeland Security
13	Act of 2002) that—
14	"(i)(I) is against a chemical, biologi-
15	cal, radiological, or nuclear agent identified
16	as a material threat under paragraph
17	(2)(A)(ii);
18	"(II) is determined under paragraph
19	(2)(B)(ii) to be a necessary counter-
20	measure; and
21	"(III)(aa) is approved or cleared
22	under chapter V of the Federal Food,
23	Drug, and Cosmetic Act, or licensed under
24	section 351 of this Act, for use as a coun-
25	termeasure to a chemical, biological, radio-

1	logical, or nuclear agent identified as a
2	material threat under paragraph (2)(A)(ii);
3	or
4	"(bb) is a priority countermeasure for
5	which the Secretary determines that suffi-
6	cient and satisfactory clinical experience or
7	research data (including data, if available,
8	from pre-clinical and clinical trials) sup-
9	port a reasonable conclusion that the coun-
10	termeasure will qualify for approval or li-
11	censing after the date of a determination
12	under paragraph (5); or
13	"(ii) is authorized under section 564
14	of the Federal Food, Drug, and Cosmetic
15	Act for emergency use.
16	"(2) Determination of Material
17	THREATS.—
18	"(A) MATERIAL THREAT.—The Homeland
19	Security Secretary, in consultation with the
20	heads of other agencies as appropriate, shall on
21	an ongoing basis—
22	"(i) assess current and emerging
23	threats of chemical, biological, radiological,
24	and nuclear agents; and

1	"(ii) determine which of such agents
2	present a material threat against the
3	United States population.
4	"(B) Public Health Impact; necessary
5	COUNTERMEASURES.—The Secretary shall on
6	an ongoing basis—
7	"(i) assess the potential public health
8	consequences of use against the United
9	States population of agents identified
10	under subparagraph (A)(ii); and
11	"(ii) determine, on the basis of such
12	assessment, the agents for which priority
13	countermeasures are necessary to protect
14	the public health from a material threat.
15	"(C) Notice to congress.—The Sec-
16	retary and the Homeland Security Secretary
17	shall promptly notify the designated congres-
18	sional committees (as defined in paragraph (10)
19	that a determination has been made pursuant
20	to subparagraph (A) or (B). Such notice shall
21	be in unclassified or, if necessary, classified
22	form.
23	"(D) Assuring access to threat in-
24	FORMATION.—In making the assessment and
25	determination required under subparagraph

1 (A), the Homeland Security Secretary shall use 2 all information to which such Secretary is entitled under section 202 of the Homeland Secu-3 4 rity Act of 2002, including but not limited to 5 information, regardless of its level of classifica-6 tion, relating to current and emerging threats 7 of chemical, biological, radiological, and nuclear 8 agents.

- "(3) ASSESSMENT OF AVAILABILITY AND AP-PROPRIATENESS OF COUNTERMEASURES.—The Secretary, in consultation with the Homeland Security Secretary, shall assess on an ongoing basis the availability and appropriateness of specific countermeasures to address specific threats identified under paragraph (2).
- "(4) Call for development of countermeasures; commitment for recommendation for procurement.—
 - "(A) Proposal to the president.—If, pursuant to an assessment under paragraph (3), the Homeland Security Secretary and the Secretary make a determination that a countermeasure would be appropriate but is either currently unavailable for procurement as a security countermeasure or is approved, licensed, or

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1	cleared only for alternative uses, such Secre-
2	taries may jointly submit to the President a
3	proposal to—
4	"(i) issue a call for the development of
5	such countermeasure; and
6	"(ii) make a commitment that, upon
7	the first development of such counter-
8	measure that meets the conditions for pro-
9	curement under paragraph (5), the Secre-
10	taries will, based in part on information
11	obtained pursuant to such call, make a rec-
12	ommendation under paragraph (6) that the
13	special reserve fund under paragraph (10)
14	be made available for the procurement of
15	such countermeasure.
16	"(B) Countermeasure specifica-
17	TIONS.—The Homeland Security Secretary and
18	the Secretary shall, to the extent practicable,
19	include in the proposal under subparagraph
20	(A)—
21	"(i) estimated quantity of purchase
22	(in the form of number of doses or number
23	of effective courses of treatments regard-
24	less of dosage form);

1	"(ii) necessary measures of minimum
2	safety and effectiveness;
3	"(iii) estimated price for each dose or
4	effective course of treatment regardless of
5	dosage form; and
6	"(iv) other information that may be
7	necessary to encourage and facilitate re-
8	search, development, and manufacture of
9	the countermeasure or to provide specifica-
10	tions for the countermeasure.
11	"(C) Presidential approval.—If the
12	President approves a proposal under subpara-
13	graph (A), the Homeland Security Secretary
14	and the Secretary shall make known to persons
15	who may respond to a call for the counter-
16	measure involved—
17	"(i) the call for the countermeasure;
18	"(ii) specifications for the counter-
19	measure under subparagraph (B); and
20	"(iii) the commitment described in
21	subparagraph (A)(ii).
22	"(5) Secretary's determination of coun-
23	TERMEASURES APPROPRIATE FOR FUNDING FROM
24	SPECIAL RESERVE FUND.—

1	"(A) IN GENERAL.—The Secretary, in ac-
2	cordance with the provisions of this paragraph
3	shall identify specific security countermeasures
4	that the Secretary determines, in consultation
5	with the Homeland Security Secretary, to be
6	appropriate for inclusion in the stockpile under
7	subsection (a) pursuant to procurements made
8	with amounts in the special reserve fund under
9	paragraph (10) (referred to in this subsection
10	individually as a 'procurement under this sub-
11	section').
12	"(B) Requirements.—In making a deter-
13	mination under subparagraph (A) with respect
14	to a security countermeasure, the Secretary
15	shall determine and consider the following:
16	"(i) The quantities of the product
17	that will be needed to meet the needs of
18	the stockpile.
19	"(ii) The feasibility of production and
20	delivery within five years of sufficient
21	quantities of the product.
22	"(iii) Whether there is a lack of a sign
23	nificant commercial market for the product
24	at the time of procurement, other than as
25	a security countermeasure.

1	"(6) Recommendation for president's ap-
2	PROVAL.—
3	"(A) RECOMMENDATION FOR PROCURE-
4	MENT.—In the case of a security counter-
5	measure that the Secretary has, in accordance
6	with paragraphs (3) and (5), determined to be
7	appropriate for procurement under this sub-
8	section, the Homeland Security Secretary and
9	the Secretary shall jointly submit to the Presi-
10	dent, in coordination with the Director of the
11	Office of Management and Budget, a rec-
12	ommendation that the special reserve fund
13	under paragraph (10) be made available for the
14	procurement of such countermeasure.
15	"(B) Presidential approval.—The spe-
16	cial reserve fund under paragraph (10) is avail-
17	able for a procurement of a security counter-
18	measure only if the President has approved a
19	recommendation under subparagraph (A) re-
20	garding the countermeasure.
21	"(C) Notice to designated congres-
22	SIONAL COMMITTEES.—The Secretary and the
23	Homeland Security Secretary shall notify the
24	designated congressional committees of each de-

cision of the President to approve a rec-

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ommendation under subparagraph (A). Such notice shall include an explanation of the decision to make available the special reserve fund under paragraph (10) for procurement of such a countermeasure, including, where available, the identification of the potential supplier or suppliers of such countermeasure, and whether other potential suppliers of the same or similar countermeasures were considered and rejected for procurement under this section and the reasons therefor.

"(D) Subsequent specific COUNTER-MEASURES.—Procurement under this subsection of a security countermeasure for a particular purpose does not preclude the subsequent procurement under this subsection of any other security countermeasure for such purpose if the Secretary has determined under paragraph (5)(A) that such countermeasure is appropriate for inclusion in the stockpile and if, as determined by the Secretary, such countermeasure provides improved safety or effectiveness, or for other reasons enhances preparedness to respond to threats of use of a biological, chemical, radiological, or nuclear agent. Such a determination by the Secretary is committed to agency discretion.

"(E) RULE OF CONSTRUCTION.—Recommendations and approvals under this paragraph apply solely to determinations that the special reserve fund under paragraph (10) will be made available for a procurement of a security countermeasure, and not to the substance of contracts for such procurement or other matters relating to awards of such contracts.

"(7) Procurement.—

"(A) IN GENERAL.—For purposes of a procurement under this subsection that is approved by the President under paragraph (6), the Homeland Security Secretary and the Secretary shall have responsibilities in accordance with subparagraphs (B) and (C).

"(B) Interagency agreements.—

"(i) FOR PROCUREMENT.—The Homeland Security Secretary shall enter into an agreement with the Secretary for procurement of a security countermeasure in accordance with the provisions of this paragraph. The special reserve fund under paragraph (10) shall be available for the

1	Secretary's costs of such procurement,
2	other than as provided in clause (ii).
3	"(ii) For administrative costs.—
4	The agreement entered into between the
5	Homeland Security Secretary and the Sec-
6	retary for managing the stockpile under
7	subsection (a) shall provide for reimburse-
8	ment of the Secretary's administrative
9	costs relating to procurements under this
10	subsection.
11	"(C) Procurement.—
12	"(i) In General.—The Secretary
13	shall be responsible for—
14	"(I) arranging for procurement
15	of a security countermeasure, includ-
16	ing negotiating terms (including quan-
17	tity, production schedule, and price)
18	of, and entering into, contracts and
19	cooperative agreements, and for car-
20	rying out such other activities as may
21	reasonably be required, in accordance
22	with the provisions of this subpara-
23	graph; and
24	"(II) promulgating such regula-
25	tions as the Secretary determines nec-

1	essary to implement the provisions of
2	this subsection.
3	"(ii) Contract terms.—A contract
4	for procurements under this subsection
5	shall (or, as specified below, may) include
6	the following terms:
7	"(I) Payment conditioned on
8	SUBSTANTIAL DELIVERY.—The con-
9	tract shall provide that no payment
10	may be made until delivery has been
11	made of a substantial portion (as de-
12	termined by the Secretary) of the
13	total number of units contracted for,
14	except that, notwithstanding any
15	other provision of law, the contract
16	may provide that, if the Secretary de-
17	termines (in the Secretary's discre-
18	tion) that an advance payment is nec-
19	essary to ensure success of a project,
20	the Secretary may pay an amount, not
21	to exceed 10 percent of the contract

amount, in advance of delivery. The

contract shall provide that such ad-

vance payment is required to be re-

paid if there is a failure to perform

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1 under the contract, except in special 2 circumstances as determined by the 3 Secretary on a contract by contract basis. Nothing in this subclause may be construed as affecting rights of vendors under provisions of law or 6 7 regulation (including the Federal Ac-8 quisition Regulation) relating to ter-9 mination of contracts for the conven-10 ience of the Government. 11 CONTRACT DURATION.— 12 The contract shall be for a period not 13 to exceed five years, except that, in 14 first awarding the contract, the Sec-15 retary may provide for a longer dura-16 tion, not exceeding eight years, if the 17 Secretary determines that complexities 18 or other difficulties in performance 19 under the contract justify such a pe-20 riod. The contract shall be renewable 21 for additional periods, none of which 22 shall exceed five years. 23 "(III) STORAGE BY VENDOR.— 24 The contract may provide that the

vendor will provide storage for stocks

1	of a product delivered to the owner-
2	ship of the Federal Government under
3	the contract, for such period and
4	under such terms and conditions as
5	the Secretary may specify, and in
6	such case amounts from the special
7	reserve fund under paragraph (10)
8	shall be available for costs of ship-
9	ping, handling, storage, and related
10	costs for such product.
11	"(IV) Non-stockpile trans-
12	FERS OF SECURITY COUNTER-
13	MEASURES.—The contract shall pro-
14	vide that the vendor will comply with
15	all applicable export-related controls
16	with respect to such countermeasure
17	"(iii) Availability of simplified
18	ACQUISITION PROCEDURES.—
19	"(I) IN GENERAL.—If the Sec-
20	retary determines that there is ϵ
21	pressing need for a procurement of a
22	specific countermeasure, the amount
23	of the procurement under this sub-
24	section shall be deemed to be below
25	the threshold amount specified in sec-

1	tion 4(11) of the Office of Federal
2	Procurement Policy Act (41 U.S.C.
3	403(11)), for purposes of application
4	to such procurement, pursuant to sec-
5	tion 302A(a) of the Federal Property
6	and Administrative Services Act of
7	1949 (41 U.S.C. 252a(a)), of—
8	"(aa) section $303(g)(1)(A)$
9	of the Federal Property and Ad-
10	ministrative Services Act of 1949
11	(41 U.S.C. 253(g)(1)(A)) and its
12	implementing regulations; and
13	"(bb) section 302A(b) of
14	such Act (41 U.S.C. 252a(b))
15	and its implementing regulations.
16	"(II) Application of Certain
17	PROVISIONS.—Notwithstanding sub-
18	clause (I) and the provision of law
19	and regulations referred to in such
20	clause, each of the following provi-
21	sions shall apply to procurements de-
22	scribed in this clause to the same ex-
23	tent that such provisions would apply
24	to such procurements in the absence
25	of subclause (I):

1 "(aa) Chapter 37	of title 40,
2 United States Code (relating to
3 contract work hours	and safety
4 standards).	
5 "(bb) Subsections	s (a) and
6 (b) of section 7 of the	Anti-Kick-
7 back Act of 1986 (41 U.S.C.
8 57(a) and (b)).	
9 "(cc) Section 30-	4C of the
10 Federal Property and	l Adminis-
11 trative Services Act of	3 1949 (41
12 U.S.C. 254d) (relating	to the ex-
amination of contracto	or records).
14 "(iv) Procedures oth	ER THAN
15 FULL AND OPEN COMPETITION.—	_
16 "(I) IN GENERAL.—In	using the
17 authority provided in	section
18 303(c)(1) of title III of the	he Federal
19 Property and Administrativ	ve Services
20 Act of 1949 (41 U.S.C. 25	3(c)(1)) to
21 use procedures other than o	competitive
procedures in the case of	a procure-
23 ment under this subsec	ction, the
phrase 'available from only	ly one re-
25 sponsible source' in suc	ch section

1	303(c)(1) shall be deemed to mean
2	'available from only one responsible
3	source or only from a limited number
4	of responsible sources'.
5	"(II) RELATION TO OTHER AU-
6	THORITIES.—The authority under
7	subclause (I) is in addition to any
8	other authority to use procedures
9	other than competitive procedures.
10	"(III) APPLICABLE GOVERN-
11	MENT-WIDE REGULATIONS.—The Sec-
12	retary shall implement this clause in
13	accordance with applicable govern-
14	ment-wide regulations, including re-
15	quirements that offers be solicited
16	from as many potential sources as is
17	practicable under the circumstances,
18	that required notices be published,
19	and that submitted offers be consid-
20	ered.
21	"(v) Premium provision in mul-
22	TIPLE AWARD CONTRACTS.—
23	"(I) IN GENERAL.—If, under this
24	subsection, the Secretary enters into
25	contracts with more than one vendor

1	to procure a security countermeasure,
2	such Secretary may, notwithstanding
3	any other provision of law, include in
4	each of such contracts a provision
5	that—
6	"(aa) identifies an increment
7	of the total quantity of security
8	countermeasure required, wheth-
9	er by percentage or by numbers
10	of units; and
11	"(bb) promises to pay one or
12	more specified premiums based
13	on the priority of such vendors'
14	production and delivery of the in-
15	crement identified under item
16	(aa), in accordance with the
17	terms and conditions of the con-
18	tract.
19	"(II) DETERMINATION OF GOV-
20	ERNMENT'S REQUIREMENT NOT RE-
21	VIEWABLE.—If the Secretary includes
22	in each of a set of contracts a provi-
23	sion as described in subclause (I),
24	such Secretary's determination of the
25	total quantity of security counter-

1	measure required, and any amend-
2	ment of such determination, is com-
3	mitted to agency discretion.
4	"(vi) Extension of closing date
5	FOR RECEIPT OF PROPOSALS NOT REVIEW-
6	ABLE.—A decision by the Secretary to ex-
7	tend the closing date for receipt of pro-
8	posals for a procurement under this sub-
9	section is committed to agency discretion.
10	"(vii) Limiting competition to
11	SOURCES RESPONDING TO REQUEST FOR
12	INFORMATION.—In conducting a procure-
13	ment under this subsection, the Secretary
14	may exclude a source that has not re-
15	sponded to a request for information under
16	section 303A(a)(1)(B) of the Federal
17	Property and Administrative Services Act
18	of 1949 (41 U.S.C. 253a(a)(1)(B)) if such
19	request has given notice that the Secretary
20	may so exclude such a source.
21	"(8) Interagency cooperation.—
22	"(A) In general.—In carrying out activi-
23	ties under this section, the Homeland Security
24	Secretary and the Secretary are authorized,
25	subject to subparagraph (B), to enter into

1	interagency agreements and other collaborative
2	undertakings with other agencies of the United
3	States Government.
4	"(B) Limitation.—An agreement or un-
5	dertaking under this paragraph shall not au-
6	thorize another agency to exercise the authori-
7	ties provided by this section to the Homeland
8	Security Secretary or to the Secretary.
9	"(9) Restrictions on use of funds.—
10	Amounts in the special reserve fund under para-
11	graph (10) shall not be used to pay—
12	"(A) costs for the purchase of vaccines
13	under procurement contracts entered into be-
14	fore the date of the enactment of the Project
15	BioShield Act of 2003; or
16	"(B) administrative costs.
17	"(10) Definitions.—
18	"(A) Special reserve fund.—For pur-
19	poses of this subsection, the term 'special re-
20	serve fund' has the meaning given such term in
21	section 510 of the Homeland Security Act of
22	2002.
23	"(B) Designated congressional com-
24	MITTEES.—For purposes of this section, the
25	term 'designated congressional committees'

1	means the following committees of the Con-
2	gress:
3	"(i) In the House of Representatives:
4	the Committee on Energy and Commerce,
5	the Committee on Appropriations, the
6	Committee on Government Reform, and
7	the Select Committee on Homeland Secu-
8	rity (or any successor to the Select Com-
9	mittee).
10	"(ii) In the Senate: the Committee on
11	Health, Education, Labor, and Pensions,
12	the Committee on Appropriations, and the
13	Committee on Government Affairs.
14	"(d) Disclosures.—No Federal agency shall dis-
15	close under section 552 of title 5, United States Code, any
16	information identifying the location at which materials in
17	the stockpile under subsection (a) are stored.
18	"(e) Definition.—For purposes of subsection (a),
19	the term 'stockpile' includes—
20	"(1) a physical accumulation (at one or more
21	locations) of the supplies described in subsection (a);
22	or
23	"(2) a contractual agreement between the Sec-
24	retary and a vendor or vendors under which such

- 1 vendor or vendors agree to provide to such Secretary
- 2 supplies described in subsection (a).
- "(f) AUTHORIZATION OF APPROPRIATIONS.— 3
- "(1) STRATEGIC NATIONAL STOCKPILE.—For 5 the purpose of carrying out subsection (a), there are 6 authorized to be appropriated \$640,000,000 for fis-7 cal year 2002, and such sums as may be necessary 8 for each of fiscal years 2003 through 2006. Such 9 authorization is in addition to amounts in the special reserve fund under subsection (c)(10).
- 11 "(2) Smallpox vaccine development.—For 12 the purpose of carrying out subsection (b), there are 13 authorized to be appropriated \$509,000,000 for fis-14 cal year 2002, and such sums as may be necessary 15 for each of fiscal years 2003 through 2006.".
- 16 (b) AMENDMENT TO HOMELAND SECURITY ACT OF
- 17 2002.—Title V of the Homeland Security Act of 2002
- (116 Stat. 2212; 6 U.S.C. 311 et seq.) is amended by add-18
- ing at the end the following: 19

- 20 "SEC. **510. PROCUREMENT SECURITY** COUNTER- \mathbf{OF}
- 21 **MEASURES FOR STRATEGIC NATIONAL**
- 22 STOCKPILE.
- 23 "(a) AUTHORIZATION OF APPROPRIATIONS.—For the
- procurement of security countermeasures under section
- 319F-2(c) of the Public Health Service Act (referred to

- 1 in this section as the 'security countermeasures program'),
- 2 there is authorized to be appropriated up to
- 3 \$5,593,000,000 for the fiscal years 2004 through 2013.
- 4 Of the amounts appropriated under the preceding sen-
- 5 tence, not to exceed \$3,418,000,000 may be obligated dur-
- 6 ing the fiscal years 2004 through 2008, of which not to
- 7 exceed \$890,000,000 may be obligated during fiscal year
- 8 2004.
- 9 "(b) Special Reserve Fund.—For purposes of the
- 10 security countermeasures program, the term 'special re-
- 11 serve fund' means the appropriations account established
- 12 as a result of any appropriations made under subsection
- 13 (a).
- 14 "(c) Availability.—
- 15 "(1) Integrity of special reserve fund;
- 16 LIMITATION OF OBLIGATIONAL AUTHORITY TO FUND
- 17 PURPOSES; INTENT OF CONGRESS AGAINST RE-
- 18 PROGRAMMING.—Subject to paragraph (2), all
- amounts appropriated under subsection (a) are
- available for obligation through the end of fiscal year
- 21 2013 and only for the specific purposes set forth in
- 22 the security countermeasures program. It is the in-
- tent of the Congress that no portion of such amount
- 24 that remains unobligated for such purposes shall be

- applied, through reprogramming or otherwise, to any
 other purpose.
- "(2) Initial availability for particular Procurements.—Amounts appropriated under subsection (a) become available for a procurement under the security countermeasures program only upon the approval by the President of such availability for the procurement in accordance with paragraph (6)(B) of such program.
- 10 "(d) Related Authorizations of Appropria-11 tions.—

12 "(1) THREAT ASSESSMENT CAPABILITIES.—For 13 the purpose of carrying out the responsibilities of 14 the Secretary for terror threat assessment under the security countermeasures program, there are author-15 16 ized to be appropriated \$5,000,000 for fiscal year 17 2003, and such sums as may be necessary for each 18 of the fiscal years 2004 through 2006, for the hiring 19 of professional personnel within the Directorate for 20 Information Analysis and Infrastructure Protection, 21 who shall be analysts responsible for chemical, bio-22 logical, radiological, and nuclear threat assessment 23 (including but not limited to analysis of chemical, bi-24 ological, radiological, and nuclear agents, the means 25 by which such agents could be weaponized or used

in a terrorist attack, and the capabilities, plans, and intentions of terrorists and other non-state actors who may have or acquire such agents). All such analysts shall meet the applicable standards and qualifications for the performance of intelligence activities promulgated by the Director of Central Intelligence pursuant to section 104 of the National Security Act of 1947.

"(2) Intelligence sharing infrastructure.—For the purpose of carrying out the acquisition and deployment of secure facilities (including information technology and physical infrastructure, whether mobile and temporary, or permanent) sufficient to permit the Secretary to receive, not later than December 31, 2003, all classified information and products to which the Under Secretary for Information Analysis and Infrastructure Protection is entitled under subtitle A of title II, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2003 through 2006."

1	SEC. 4. AUTHORIZATION FOR MEDICAL PRODUCTS FOR
2	USE IN EMERGENCIES.
3	Subchapter E of chapter V of the Federal Food,
4	Drug, and Cosmetic Act (21 U.S.C. 360bbb et seq.) is
5	amended by adding at the end the following section:
6	"SEC. 564. AUTHORIZATION FOR MEDICAL PRODUCTS FOR
7	USE IN EMERGENCIES.
8	"(a) In General.—
9	"(1) Emergency uses.—Notwithstanding sec-
10	tions 505, 510(k), and 515 of this Act and section
11	351 of the Public Health Service Act, and subject to
12	the provisions of this section, the Secretary may au-
13	thorize the introduction into interstate commerce,
14	during the effective period of a declaration under
15	subsection (b), of a drug, device, or biological prod-
16	uct intended for use in an actual or potential emer-
17	gency (referred to in this section as an 'emergency
18	use').
19	"(2) Approval status of product.—An au-
20	thorization under paragraph (1) may authorize an
21	emergency use of a product that—
22	"(A) is not approved, licensed, or cleared
23	for commercial distribution under a provision of
24	law referred to in such paragraph (referred to
25	in this section as an 'unapproved product'); or

1	"(B) is approved, licensed, or cleared
2	under such a provision, but which use is not
3	under such provision an approved, licensed, or
4	cleared use of the product (referred to in this
5	section as an 'unapproved use of an approved
6	product').
7	"(3) Relation to other uses.—An emer-
8	gency use authorized under paragraph (1) for a
9	product is in addition to any other use that is au-
10	thorized for the product under a provision of law re-
11	ferred to in such paragraph.
12	"(4) Definitions.—For purposes of this sec-
13	tion:
14	"(A) The term 'biological product' has the
15	meaning given such term in section 351 of the
16	Public Health Service Act.
17	"(B) The term 'emergency use' has the
18	meaning indicated for such term in paragraph
19	(1).
20	"(C) The term 'product' means a drug, de-
21	vice, or biological product.
22	"(D) The term 'unapproved product' has
23	the meaning indicated for such term in para-
24	$\operatorname{graph}(2)(A).$

1	"(E) The term 'unapproved use of an ap-
2	proved product' has the meaning indicated for
3	such term in paragraph (2)(B).
4	"(b) Declaration of Emergency.—
5	"(1) IN GENERAL.—The Secretary may declare
6	an emergency justifying the authorization under this
7	subsection for a product on the basis of—
8	"(A) a determination by the Secretary of
9	Homeland Security that there is a national
10	emergency, or a significant potential for a na-
11	tional emergency, involving a heightened risk of
12	attack with a specified biological, chemical, ra-
13	diological, or nuclear agent or agents;
14	"(B) a determination by the Secretary of
15	Defense that there is a military emergency, or
16	a significant potential for a military emergency,
17	involving a heightened risk to United States
18	military forces of attack with a biological,
19	chemical, radiological, or nuclear agent or
20	agents; or
21	"(C) a determination by the Secretary of a
22	public health emergency under section 319 of
23	the Public Health Service Act, affecting na-
24	tional security and involving a specified biologi-
25	cal, chemical, radiological, or nuclear agent or

1	agents, or a specified disease or condition that
2	may be attributable to such agent or agents.
3	"(2) Termination of Declaration.—
4	"(A) IN GENERAL.—A declaration under
5	this subsection shall terminate upon the earlier
6	of—
7	"(i) a determination by the Secretary,
8	in consultation as appropriate with the
9	Secretary of Homeland Security or the
10	Secretary of Defense, that the cir-
11	cumstances described in paragraph (1)
12	have ceased to exist; or
13	"(ii) the expiration of the one-year pe-
14	riod beginning on the date on which the
15	declaration is made.
16	"(B) Renewal.—Notwithstanding sub-
17	paragraph (A), the Secretary may renew a dec-
18	laration under this subsection, and this para-
19	graph shall apply to any such renewal.
20	"(3) Advance notice of termination.—In
21	terminating a declaration under this section, the
22	Secretary shall provide advance notice that the dec-
23	laration will be terminated. The period of advance
24	notice shall be a period reasonably determined to
25	provide—

1	"(A) in the case of an unapproved product,
2	a sufficient period for disposition of shipments
3	of the product, including the return of such
4	shipments to the manufacturer (in the case of
5	a manufacturer that chooses to have the ship-
6	ments returned); and
7	"(B) in the case of unapproved uses of ap-
8	proved products, a sufficient period for the dis-
9	position of any labeling that was provided with
10	respect to the emergency use involved.
11	"(4) Publication.—The Secretary shall
12	promptly publish in the Federal Register each dec-
13	laration, determination, and renewal under this sub-
14	section.
15	"(c) Criteria for Issuance of Authorization.—
16	The Secretary may issue an authorization under this sec-
17	tion with respect to the emergency use of a product only
18	if, after consultation with the Director of the National In-
19	stitutes of Health and the Director of the Centers for Dis-
20	ease Control and Prevention, to the extent feasible and
21	appropriate given the circumstances of the emergency in-
22	volved, the Secretary concludes—
23	"(1) that an agent specified in a declaration
24	under subsection (b) can cause a serious or life-
25	threatening disease or condition:

1	"(2) that, based on the totality of scientific evi-
2	dence available to the Secretary, including data from
3	adequate and well-controlled clinical trials, if avail-
4	able, it is reasonable to believe that—
5	"(A) the product may be effective in de-
6	tecting, diagnosing, treating, or preventing—
7	"(i) such disease or condition; or
8	"(ii) a serious or life-threatening dis-
9	ease or condition caused by a product au-
10	thorized under this section or approved
11	under this Act or the Public Health Serv-
12	ice Act, for detecting, diagnosing, treating,
13	or preventing such a disease or condition
14	caused by such an agent; and
15	"(B) the known and potential benefits of
16	the product, when used to detect, diagnose, pre-
17	vent, or treat such disease or condition, out-
18	weigh the known and potential risks of the
19	product;
20	"(3) that there is no adequate, approved, and
21	available alternative to the product for detecting, di-
22	agnosing, preventing, or treating such disease or
23	condition; and
24	"(4) that such other criteria as the Secretary
25	may by regulation prescribe are satisfied.

1	"(d) Scope of Authorization.—
2	"(1) In general.—An authorization of a prod-
3	uct under this section shall state—
4	"(A) each disease or condition that the
5	product may be used to detect, diagnose, pre-
6	vent, or treat within the scope of the authoriza-
7	tion;
8	"(B) the Secretary's conclusions, made
9	under subsection (e)(2)(B), that the known and
10	potential benefits of the product, when used to
11	detect, diagnose, prevent, or treat such disease
12	or condition, outweigh the known and potential
13	risks of the product; and
14	"(C) the Secretary's conclusions, made
15	under subsection (c), concerning the safety and
16	potential effectiveness of the product in detect-
17	ing, diagnosing, preventing, or treating such
18	diseases or conditions, including an assessment
19	of the available scientific evidence.
20	"(2) Confidential Information.—Nothing
21	in this section alters or amends section 1905 of title
22	18, United States Code, or section 552(b)(4) of title
23	5 of such Code.
24	"(e) Conditions of Authorization.—
25	"(1) Unapproved product.—

1	"(A) REQUIRED CONDITIONS.—With re-
2	spect to the emergency use of an unapproved
3	product, the Secretary, to the extent feasible
4	given the circumstances of the emergency, shall,
5	for persons who choose to carry out one or
6	more activities for which the authorization is
7	issued, establish such conditions on an author-
8	ization under this section as the Secretary finds
9	necessary or appropriate to protect the public
10	health, including the following:
11	"(i) Appropriate conditions designed
12	to ensure that, to the extent feasible given
13	the circumstances of the emergency, health
14	care professionals administering the prod-
15	uct are informed—
16	"(I) that the Secretary has au-
17	thorized the emergency use of the
18	product;
19	"(II) of the significant known
20	and potential benefits and risks of the
21	emergency use of the product, and of
22	the extent to which such benefits and
23	risks are unknown; and

1	"(III) of the alternatives to the
2	product that are available, and of
3	their benefits and risks.
4	"(ii) Appropriate conditions designed
5	to ensure that, to the extent feasible given
6	the circumstances of the emergency, indi-
7	viduals to whom the product is adminis-
8	tered are informed—
9	"(I) that the Secretary has au-
10	thorized the emergency use of the
11	product;
12	"(II) of the significant known
13	and potential benefits and risks of
14	such use, and of the extent to which
15	such benefits and risks are unknown;
16	and
17	"(III) of the option to accept or
18	refuse administration of the product,
19	of the consequences, if any, of refus-
20	ing administration of the product, and
21	of the alternatives to the product that
22	are available and of their benefits and
23	risks.
24	"(iii) Appropriate conditions for the
25	monitoring and reporting of adverse events

1	associated with the emergency use of the
2	product.
3	"(iv) For manufacturers of the prod-
4	uct, appropriate conditions concerning rec-
5	ordkeeping and reporting, including
6	records access by the Secretary, with re-
7	spect to the emergency use of the product.
8	"(B) Authority for additional condi-
9	TIONS.—With respect to the emergency use of
10	an unapproved product, the Secretary, to the
11	extent feasible given the circumstances of the
12	emergency, may, for persons who choose to
13	carry out one or more activities for which the
14	authorization is issued, establish such condi-
15	tions on an authorization under this section as
16	the Secretary finds necessary or appropriate to
17	protect the public health, including the fol-
18	lowing:
19	"(i) Appropriate conditions on which
20	entities may distribute the product with re-
21	spect to the emergency use of the product
22	(including limitation to distribution by gov-
23	ernment entities), and on how distribution
24	is to be performed.

1 "(ii) Appropriate conditions on who
2 may administer the product with respect to
3 the emergency use of the product, and on
4 the categories of individuals to whom, and
5 the circumstances under which, the prod6 uct may be administered with respect to
7 such use.

"(iii) For persons other than manufacturers of the product, appropriate conditions concerning recordkeeping and reporting, including records access by the Secretary, with respect to the emergency use of the product.

"(iv) With respect to the emergency use of the product, waive or limit, to the extent appropriate given the circumstances of the emergency, conditions regarding current good manufacturing practice otherwise applicable to the manufacture, processing, packing, or holding of products subject to regulation under this Act, including such requirements established in section 501.

"(2) UNAPPROVED USE.—With respect to the emergency use of a product that is an unapproved use of an approved product:

"(A) The Secretary may, for manufacturers of the product who choose to carry out one or more activities for which the authorization is issued, establish any of the conditions described in clauses (i) through (iv) of paragraph (1)(A).

"(B)(i) If the authorization under this section regarding the emergency use authorizes a change in the labeling of the product, but the manufacturer of the product chooses not to make such change, such authorization may not authorize distributors of the product or any other person to alter or obscure the labeling provided by the manufacturer.

"(ii) In the circumstances described in clause (i), an authorization under this section regarding the emergency use may, for persons who do not manufacture the product and who choose to act under this clause, authorize such persons to provide information on the product in addition to the labeling provided by the manufacturer, subject to compliance with clause (i).

1 Such additional information shall not be consid-2 ered labeling for purposes of section 502. 3 "(f) Duration of Authorization.— "(1) IN GENERAL.—Except as provided in para-4 5 graph (2), an authorization under this section shall 6 be effective until the earlier of the termination of the 7 declaration under subsection (b) or a revocation under subsection (g). 8 9 "(2) Continued use after end of effec-TIVE PERIOD.—Notwithstanding the termination of 10 11 the declaration under subsection (b) or a revocation 12 under subsection (g), an authorization shall continue 13 to be effective for continued use with respect to pa-14 tients to whom it was administered during the pe-15 riod described by paragraph (1), to the extent found 16 necessary by such patients' attending physicians. 17 "(g) REVOCATION OF AUTHORIZATION.— 18 "(1) Review.—The Secretary shall periodically 19 review the circumstances and the appropriateness of 20 an authorization under this section.

> "(2) Revocation.—The Secretary may revoke an authorization under this section if, in the Secretary's unreviewable discretion, the criteria under subsection (c) for issuance of such authorization are no longer met.

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- 1 "(h) Publication.—The Secretary shall promptly
- 2 publish in the Federal Register a notice of each authoriza-
- 3 tion, and each termination or revocation of an authoriza-
- 4 tion, and an explanation of the reasons therefor, under
- 5 this section.
- 6 "(i) ACTIONS COMMITTED TO AGENCY DISCRE-
- 7 TION.—Actions under the authority of this section by the
- 8 Secretary, by the Secretary of Defense, or by the Sec-
- 9 retary of Homeland Security are committed to agency dis-
- 10 cretion.
- 11 "(j) Rules of Construction.—Nothing in this sec-
- 12 tion shall be construed to impair or otherwise affect—
- "(1) the authority of the President as Com-
- mander in Chief of the Armed Forces of the United
- 15 States under article II, section 2 of the United
- 16 States Constitution;
- 17 "(2) the authority of the Secretary of Defense
- 18 with respect to the Department of Defense, includ-
- ing the armed forces, under other provisions of Fed-
- eral law; or
- 21 "(3) the authority of the Secretary under sec-
- tion 319F-2 to manage the stockpile under such
- 23 section.
- 24 "(k) Application to Members of Armed
- 25 Forces.—

"(1) WAIVER OF REQUIREMENT RELATING TO OPTION TO REFUSE.—In the case of administration of a countermeasure to members of the armed forces, a requirement, under subsection (e)(1)(A)(ii)(III), designed to ensure that individuals are informed of an option to accept or refuse administration of a product, may be waived by the President if the President determines, in writing, that complying with such requirement is not feasible, is contrary to the best interests of the members affected, or is not in the interests of national security.

"(2) Provision of information to member of the armed forces.—If the Secretary makes a determination that it is not feasible for the information required by subsection (e)(1)(A)(ii) to be provided to a member of the armed forces prior to the administration of the product, such information shall be provided to such member of the armed forces (or next-of-kin in the case of the death of a member) to whom the product was administered as soon as possible, but not later than 30 days, after such administration. Information concerning the administration of the product shall be recorded in the medical record of the member.

1 "(3) Effect on statute pertaining to in-2 VESTIGATIONAL NEW DRUGS.—In the case of an authorization based on a determination by the Sec-3 retary of Defense under subsection (b)(1)(B), sec-5 tion 1107 of title 10, United States Code, shall not 6 apply to use of a product that is the subject of such authorization, within the scope of such authorization 7 8 and while such authorization is effective. 9 "(1) Relation to Other Provisions.—If a prod-10 uct is the subject of an authorization under this section, the use of such product within the scope of the authorization — 12 13 "(1) shall not be subject to any requirements 14 pursuant to section 505(i) or 520(g); and 15 "(2) shall not be subject to any requirements 16 otherwise applicable to clinical investigations pursu-17 ant to other provisions of this Act. 18 "(m) Discretion Regarding Use of Authoriza-TION.—Nothing in this section provides the Secretary any 19 20 authority to require any person to carry out any activity 21 that becomes lawful pursuant to an authorization under 22 this section, and no person is required to inform the Sec-23 retary that the person will not be carrying out such activity, except that a manufacturer of a sole-source unapproved product authorized for emergency use shall notify

1	the Secretary within a reasonable period of time after the
2	issuance by the Secretary of such authorization if such
3	manufacturer does not intend to carry out an activity or
4	activities under the authorization. This section does not
5	have any legal effect on a person who does not carry out
6	any activity for which an authorization under this section
7	is issued, or who carries out such an activity pursuant to
8	other provisions of this Act or section 351 of the Public
9	Health Service Act.
10	"(n) Enforcement.—A person who carries out an
11	activity pursuant to an authorization under this section,
12	but who fails to comply with applicable conditions under
13	subsection (e), is with respect to that act of noncompliance
14	subject to the provisions of law specified in subsection (a)
15	and to the enforcement of such provisions under section
16	301.".
17	SEC. 5. REPORTS REGARDING AUTHORITIES UNDER THIS
18	ACT.
19	(a) Secretary of Health and Human Serv-
20	ICES.—
21	(1) Annual reports on particular exer-
22	CISES OF AUTHORITY.—
23	(A) Relevant authorities.—The Sec-
24	retary of Health and Human Services (referred

to in this subsection as the "Secretary") shall

1	submit reports in accordance with subpara-
2	graph (B) regarding the exercise of authority
3	under the following provisions of law:
4	(i) With respect to section 319F-1 of
5	the Public Health Service Act (as added by
6	section 2 of this Act):
7	(I) Subsection (b)(1) (relating to
8	increased simplified acquisition
9	threshold).
10	(II) Subsection (b)(2) (relating to
11	procedures other than full and open
12	competition).
13	(III) Subsection (c) (relating to
14	expedited peer review procedures).
15	(ii) With respect to section 319F-2 of
16	the Public Health Service Act (as added by
17	section 3 of this Act):
18	(I) Subsection (c)(7)(C)(iii) (re-
19	lating to simplified acquisition proce-
20	dures).
21	(II) Subsection $(c)(7)(C)(iv)$ (re-
22	lating to procedures other than full
23	and open competition).

1	(III) Subsection $(c)(7)(C)(v)$ (re-
2	lating to premium provision in mul-
3	tiple-award contracts).
4	(iii) With respect to section 564 of the
5	Federal Food, Drug, and Cosmetic Act (as
6	added by section 4 of this Act):
7	(I) Subsection (a)(1) (relating to
8	emergency uses of certain drugs and
9	devices).
10	(II) Subsection (b)(1) (relating to
11	a declaration of an emergency).
12	(III) Subsection (e) (relating to
13	conditions on authorization).
14	(B) Contents of Reports.—The Sec-
15	retary shall annually submit to the designated
16	congressional committees a report that
17	summarizes—
18	(i) the particular actions that were
19	taken under the authorities specified in
20	subparagraph (A), including, as applicable,
21	the identification of the threat agent,
22	emergency, or the biomedical counter-
23	measure with respect to which the author-
24	ity was used;

1	(ii) the reasons underlying the deci-
2	sion to use such authorities, including, as
3	applicable, the options that were consid-
4	ered and rejected with respect to the use of
5	such authorities;
6	(iii) the identification of each person
7	or entity that received, or was considered
8	and rejected for, grants, cooperative agree-
9	ments, or contracts pursuant to the use of
10	such authorities; and
11	(iv) whether, with respect to each pro-
12	curement that is approved by the President
13	under section $319F-2(c)(6)$ of the Public
14	Health Service Act (as added by section 3
15	of this Act), a contract was entered into
16	within one year after such approval by the
17	President.
18	(2) Annual summaries regarding certain
19	ACTIVITY.—The Secretary shall annually submit to
20	the designated congressional committees a report
21	that summarizes the activity undertaken pursuant to
22	the following authorities under section 319F-1 of
23	the Public Health Service Act (as added by section

2 of this Act):

- 1 (A) Subsection (b)(3) (relating to increased micropurchase threshold).
 - (B) Subsection (d) (relating to authority for personal services contracts).
- 5 (C) Subsection (e) (relating to streamlined personnel authority).

With respect to subparagraph (B), the report shall include a provision specifying, for the one-year period for which the report is submitted, the number of persons who were paid amounts greater than \$100,000 and the number of persons who were paid amounts between \$50,000 and \$100,000.

(b) NATIONAL ACADEMY OF SCIENCES REVIEW.—

after the date of the enactment of this Act, the Secretary of Health and Human Services shall request the National Academy of Sciences to enter into an agreement for a review of the biomedical countermeasure research and development authorities established in this Act to determine whether and to what extent activities undertaken pursuant to such authorities have enhanced the development of biomedical countermeasures affecting national security, and to recommend any legislative or administrative changes necessary to improve the ability of the Sec-

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- retary to carry out these activities in the future. The Secretary shall ensure that the results of the study are submitted to the designated congressional committees not later than five years after such date of enactment.
 - (2) CERTAIN CONTENTS.—The report under paragraph (1) shall include—
 - (A) a summary of the most recent analysis by the Department of Homeland Security and the intelligence community of the domestic threat from chemical, biological, radiological, and nuclear agents;
 - (B) the Academy's assessment of the current availability of countermeasures to address such threats;
 - (C) the Academy's assessment of the extent to which programs and activities under this Act will reduce any gap between the threat and the availability of countermeasures to an acceptable level of risk; and
 - (D)(i) the Academy's assessment of threats to national security that are posed by technology that will enable, during the 10-year period beginning on the date of the enactment of this Act, the development of antibiotic resistant,

- 1 mutated, or bioengineered strains of biological 2 agents; and
- (ii) recommendations on short-term and long-term governmental strategies for addressing such threats, including recommendations for Federal policies regarding research priorities, the development of countermeasures, and investments in technology.
- 9 (c) GENERAL ACCOUNTING OFFICE REVIEW.—Four 10 years after the date of the enactment of this Act, the 11 Comptroller General of the United States shall initiate a 12 study—
 - (1)(A) to review the Secretary of Health and Human Services' utilization of the authorities granted under this Act with respect to simplified acquisition procedures, procedures other than full and open competition, increased micropurchase thresholds, personal services contracts, streamlined personnel authority, and the purchase of security countermeasures under the special reserve fund; and
 - (B) to recommend any legislative or administrative changes necessary to improve the utilization or effectiveness of such authorities in the future;

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1	(2)(A) to review the internal controls instituted
2	by such Secretary with respect to such authorities,
3	where required by this Act; and
4	(B) to recommend any legislative or administra-
5	tive changes necessary to improve the effectiveness
6	of such controls; and
7	(3)(A) to review such Secretary's utilization of
8	the authority granted under this Act to authorize an
9	emergency use of a biomedical countermeasure, in-
10	cluding the means by which the Secretary deter-
11	mines whether and under what conditions any such
12	authorizations should be granted and the benefits
13	and adverse impacts, if any, resulting from the use
14	of such authority; and
15	(B) to recommend any legislative or administra-
16	tive changes necessary to improve the utilization or
17	effectiveness of such authority and to enhance pro-
18	tection of the public health.
19	The results of the study shall be submitted to the des-
20	ignated congressional committees not later than five years
21	after the date of the enactment of this Act.
22	(d) Report Regarding Barriers to Procure-
23	MENT OF SECURITY COUNTERMEASURES.—
24	(1) BIOCONTAINMENT FACILITIES.—Not later
25	than 120 days after the date of the enactment of

- 1 this Act, the Secretary of Homeland Security and
- 2 the Secretary of Health and Human Services shall
- 3 jointly report to the designated congressional com-
- 4 mittees whether there is a lack of adequate large-
- 5 scale biocontainment facilities necessary for the test-
- 6 ing of security countermeasures in accordance with
- 7 Food and Drug Administration requirements.
- 8 (2) Additional Barriers.—Not later than
- 9 one year after the date of enactment of this Act,
- such Secretaries shall jointly report to the des-
- ignated congressional committees any other potential
- barriers to the procurement of security counter-
- measures that have not been addressed by this Act.
- 14 (e) Status of Program for Chemical Ter-
- 15 RORISM PREPAREDNESS.—Not later than 270 days after
- 16 the date of the enactment of this Act, the Secretary of
- 17 Homeland Security shall submit to the designated con-
- 18 gressional committees a report describing the status of the
- 19 program carried out by the Secretary to enhance the pre-
- 20 paredness of the United States to respond to terrorist at-
- 21 tacks involving chemical agents.
- 22 (f) Designated Congressional Committees.—
- 23 For purposes of this section, the term "designated con-
- 24 gressional committees" means the following committees of
- 25 the Congress:

- 1 (1) In the House of Representatives: the Committee on Energy and Commerce, the Committee on Appropriations, the Committee on Government Reform, and the Select Committee on Homeland Security (or any successor to the Select Committee).
- (2) In the Senate: the Committee on Health,
 Education, Labor, and Pensions, the Committee on
 Appropriations, and the Committee on Government
 Affairs.

10 SEC. 6. OUTREACH.

- The Secretary of Health and Human Services shall develop outreach measures to ensure to the extent practicable that diverse institutions, including Historically Black Colleges and Universities and those serving large proportions of Hispanics, Native Americans, Asian-Pacific Americans, or other underrepresented populations, are meaningfully aware of available research and development grants, contracts, cooperative agreements, and procurements conducted under sections 2 and 3 of this Act.
- 20 SEC. 7. RECOMMENDATION FOR EXPORT CONTROLS ON

21 CERTAIN BIOMEDICAL COUNTERMEASURES.

Upon the award of any grant, contract, or cooperative agreement under section 2 or 3 of this Act for the research, development, or procurement of a qualified countermeasure or a security countermeasure (as those terms

- 1 are defined in this Act), the Secretary of Health and
- 2 Human Services shall, in consultation with the heads of
- 3 other appropriate Federal agencies, determine whether the
- 4 countermeasure involved in such grant, contract, or coop-
- 5 erative agreement is subject to existing export-related con-
- 6 trols and, if not, may make a recommendation to the ap-
- 7 propriate Federal agency or agencies that such counter-
- 8 measure should be included on the list of controlled items
- 9 subject to such controls.
- 10 SEC. 8. ENSURING COORDINATION, COOPERATION AND
- 11 THE ELIMINATION OF UNNECESSARY DUPLI-
- 12 CATION IN PROGRAMS DESIGNED TO PRO-
- 13 TECT THE HOMELAND FROM BIOLOGICAL,
- 14 CHEMICAL, RADIOLOGICAL, AND NUCLEAR
- 15 AGENTS.
- 16 (a) Ensuring Coordination of Programs.—The
- 17 Secretary of Health and Human Services, the Secretary
- 18 of Homeland Security, and the Secretary of Defense shall
- 19 ensure that the activities of their respective Departments
- 20 coordinate, complement, and do not unnecessarily dupli-
- 21 cate programs to identify potential domestic threats from
- 22 biological, chemical, radiological or nuclear agents, detect
- 23 domestic incidents involving such agents, analyze such in-
- 24 cidents, and develop necessary countermeasures. The
- 25 aforementioned Secretaries shall further ensure that infor-

- 1 mation and technology possessed by the Departments rel-
- 2 evant to these activities are shared with the other Depart-
- 3 ments.
- 4 (b) Designation of Agency Coordination Offi-
- 5 CER.—The Secretary of Health and Human Services, the
- 6 Secretary of Homeland Security, and the Secretary of De-
- 7 fense shall each designate an officer or employee of their
- 8 respective Departments who shall coordinate, through reg-
- 9 ular meetings and communications, with the other afore-
- 10 mentioned Departments such programs and activities car-
- 11 ried out by their Departments.

Passed the House of Representatives July 16, 2003. Attest:

Clerk.